

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

EXPERIMENTAL PRESORTED PRIORITY
MAIL RATE CATEGORIES, 2001

Docket No. MC2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T2-2)

The United States Postal Service hereby provides its response to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-T2-2, filed on March 23, 2001.

The interrogatory has been redirected from witness Levine to the Postal Service for response.


The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Michael T. Tidwell

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April 2, 2001

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OCA/USPS-T2-2.

Please refer to your testimony [USPS-T-2] at page 3, lines 15-16, which identifies the Linear Induction Parcel Sorter (LIPS) as one of four operations in MODS specific to Priority Mail distribution.

- a. Please confirm that the Linear Induction Parcel Sorter is a mail processing operation, or part thereof, in the Management Operating Data System. If you do not confirm, please explain.
- b. Please confirm that the Postal Service provided information, regressions, and analyses of LIPS as part of, or in conjunction with, the testimonies of witnesses Bradley and Bozzo in Docket Nos. R97-1 and R2000-1.
 - i. If you do not confirm, please explain the relevance of the analysis of LIPS in this proceeding, given its absence in Docket Nos. R97-1 and R2000-1; and
 - ii. If you do confirm, please provide citations to the testimony, exhibits and library references in the referenced dockets, or copies of the information used in those dockets, relating to LIPS.

RESPONSE:

- a. Confirmed that six MODS three-digit operation numbers are defined for LIPS operations. The following table provides the LIPS operation numbers and brief descriptions:

Operation #	Description
254	LIPS OUTGOING PREF
255	LIPS OUTGOING STANDARD
256	LIPS INCOMING PREF
257	LIPS INCOMING STANDARD
258	LIPS-PRIORITY, OUTGOING
259	LIPS-PRIORITY, INCOMING

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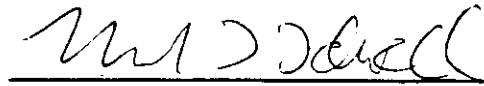
(RESPONSE to OCA/USPS-T2-2 continued)

b. Partly confirmed. The LIPS operation numbers listed in the response to part (a) of this interrogatory were defined in FY 1997. Therefore, the operation numbers were not defined during the period, ending in AP 13 of FY 1996, covered by Dr. Bradley's mail processing data set in Docket No. R97-1 and Dr. Bradley conducted no analysis pertaining to LIPS operations in that proceeding. In Docket No. R2000-1, the MODS cost pools for Small Parcel and Bundle Sorter (SPBS) operations included the LIPS operation numbers. Consistent with the MODS operation and cost pool definitions, the SPBS operation groups used in Dr. Bozzo's analysis included the LIPS operations for the FY 1997 and FY 1998 observations. Dr. Bozzo provided and analyzed LIPS data to the extent it was included in the SPBS operation groups.

- i. Not applicable.
- ii. Please see Docket No. R2000-1, USPS-T-10 (Kingsley) at 20 (description of LIPS equipment); USPS-LR-I-106 at I-17 (assignment of LIPS operation codes to cost pools); USPS-T-15 (Bozzo) at 118, 120 (econometric specification and main results for SPBS operation group); USPS-LR-I-107 at 7-8 (description of TSP program for SPBS operation group).

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in black ink, appearing to read "Michael T. Tidwell", written over a horizontal line.

Michael T. Tidwell

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